BRITISH COLUMBIA
The Best Place on Earth
BCStats
Infoline

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- **Food services and drinking places revenues hold steady in August**
- **BC's homicide rate remains unchanged in 2009**
- **Abbotsford-Mission is homicide capital of Canada for a second year in a row**

The Economy

- **Revenues earned by British Columbia's food services and drinking places industry (*seasonally adjusted*) remained virtually unchanged in August.** Nationally, the food services and drinking places industry inched ahead (+0.4%). Only Quebec (+1.8%), Alberta (+1.3%) and Nova Scotia (+1.1%) posted an increase in sales during the month.

Data Source: Statistics Canada

Crime

- **Police services in British Columbia reported 118 homicides during 2009 leaving the province's homicide rate[1] virtually unchanged at 2.65.** Peaking in the mid-1970s, BC's homicide rate had been generally trending downward until 2005, with mostly slight year-to-year fluctuations in the homicide rate since then. A total of 35 gang-related homicides[2] were reported by police in 2009, up one from the number recorded in 2008. Gang-related homicides account for nearly one-third (30%) of all reported homicides in British Columbia. Rates of gang-related homicide have risen considerably since 1999, jumping from a rate of 0.12 per 100,000 population to 0.79 in 2009. BC had the second-highest rate of gang-related homicide in Canada after Manitoba (0.98).

  Among the province's metropolitan areas, Abbotsford-Mission reported the highest homicide rate (5.22) in Canada for a second consecutive year. Vancouver saw a slight increase in its reported homicide rate (2.62) while both Kelowna (1.68) and Victoria (0.85) posted lower homicide rates compared to rates reported in 2008.

Data Source: SC Cat. no. 85-002-X

- **Canada-wide, police recorded 610 homicides yielding a homicide rate of 1.81, largely unchanged from 2008.** Nunavut (18.64) and Yukon (5.94) posted the highest homicide rates overall. Among the provinces the highest rates were reported in Manitoba (4.66) and Saskatchewan (3.49), while PEI (0.00) and Newfoundland and Labrador (0.20) posted the lowest rates.

  After trending higher between 2002 and 2008, Canada's firearm homicide rate declined 12% in 2009. Handguns continue to be the most common (69%) type of firearm employed during a homicide. During the past 5 years, police have recovered 253 firearms used to commit homicide where status with the National Firearms Registry could be determined. Of these 253 firearms more than two-thirds (69%) were not registered with the Firearms Registry. *Data Source: SC Cat. no. 85-002-X*

- **By its very nature, policing is considered a high-risk profession and there have been 133 police officers murdered while on-duty between 1961 and 2009.** Most of these murders (65%) occurred between 1961 and 1984. Nearly all murdered police offers were men (97%) and on average were 34 years old and had been serving for fewer than 5 years at the time of their death. Nearly one-quarter (23%) of all killings were committed during a rob-

[1] Homicide rates are calculated per 100,000 population

[2] Those where victims were member of organized crime groups, street gangs, or innocent bystanders in a gang-related homicide incident

Did you know...

In 2009, nearly 8,600 tonnes of pumpkins were harvested from farms in BC. That's a lot of potential Jack-O-Lanterns!

Data Source: SC Cat no. 22-003-X

bery investigation, while another 14% were murdered while responding to a domestic dispute.

British Columbia has seen ten police officers murdered since 1961 yielding a police homicide rate of 3.8.[3] Among the remaining provinces and territories, police homicide rates were highest in Nunavut (54.3), Northwest Territories (15.6), New Brunswick (9.2) and Saskatchewan (8.0). Only in Yukon and PEI were there no police homicides between 1961 and 2009. *Data Source: SC Cat. no. 85-002-X*

- **In 2008/2009, there were 371,800 admissions to provincial and federal adult correctional services in Canada.**[4] Seven in ten admissions were to custody, with admissions to remand (jailed while awaiting or during a trial) accounting for the largest proportion (41%). Sentenced custody made up roughly one in five (22%) admissions. Only 2% of admissions were to federal custody.

  In 2008/2009, adult correctional service expenditures reached $3.9 billion, an increase of 7% over the previous year. On average, a federal inmate cost almost $323 per day or $117,900 for the year to house. In the provincial and territorial systems, the average cost was $162 per day or $59,100 for the year. Federal costs are significantly higher due to the higher level of security required at federal facilities as the federal system is responsible for holding those sentenced to terms longer than two years. *Data Source: SC Cat. no. 85-002-X*

Unionization

- **During the first half of 2010, approximately 4.2 million employees were members of a union in Canada, an increase of 64,000 from the same period last year.** Nationally, the unionization rate sits at 30% of total employment. By industry, public administration (69%) had the highest rate of unionization, followed closely by education (67%).

  The provinces with the highest unionization rates included Newfoundland and Labrador (40%), Quebec (39%) and Manitoba (38%), while the lowest rates of unionization were recorded in Ontario (28%) and Alberta (25%). *Data Source: SC Cat. no. 75-001-X*

The Nation

- **Canada's real gross domestic product (GDP) increased 0.3% in August, making up for a 0.1% decline registered during the previous month.** Oil & gas extraction (+1.5%) rebounded strongly as a result of advancing activity in both natural gas and oil production. Following three straight declines, GDP in wholesale trade jumped 1.1% thanks to stronger trade in machinery & equipment and petroleum products. Economic activity in the manufacturing sector increased 0.5% while construction experienced a 0.4% rise in GDP. *Data Source: SC Cat. no. 15-001-X*

Happy Hallowe'en

[3] Police homicide rates are calculated on the basis of 100,000 actively employed police officers.

[4] Admissions data excludes Northwest Territories and Nunavut due to missing data.

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For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

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The British Columbia Input–Output Model

What are input-output models?

Input-output models are based on statistical information about the flow of goods and services among various industries. This information provides a comprehensive and detailed representation of the economy for a given year.

An input-output model consists of three components:

1. A table showing the cost of inputs–goods and services, labour and capital–consumed by each industry in the production process. This is called the *input*, or use, matrix.

2. A table showing which goods and services are produced by each industry. This is called the *output*, or make, matrix.

3. A table showing which goods and services are available for consumption by final users. This is called the *final demand* matrix. The final demand matrix includes goods and services that are locally produced, as well as those that are imported from other regions.

These data, together with supplementary information (e.g., tax rates by commodity) are combined into a single model of the economy which can be used to determine how much additional production is generated either by a change in the demand for one or more commodities (goods or services), or by a change in the output of an industry.

How are input-output models used?

Input-output models are used to assess the total economic impact associated with a change in industry output or a change in the demand for one or more commodities. These models use known information about inter-industry relationships to trace through all of the changes in the output of supplier industries that are required to support an initial increase in an industry's output, or an increase in commodity expenditures. This process is commonly referred to as shocking the model.

If a change in demand is met by increasing or decreasing imports from other jurisdictions, there is no net effect on domestic production. All of the benefits or costs associated with employment generation or loss, and other economic effects, will occur outside the region. Therefore, it is important to identify whether or not a change in the demand for a good or service is met inside or outside a region.

The British Columbia Input-Output Model

The British Columbia Input-Output model (BCIOM) can be viewed as a snapshot of the BC economy. It is derived from Interprovincial Input-Output tables developed by Statistics Canada and includes details on 727 commodities, 300 industries and 170 "final demand" categories, plus a set of computer algorithms to do the calculations required for the solution of the model. It can be used to predict how an increase or a decrease in demand for the products of one industry will have an impact on other industries and therefore on the entire economy. At present, the model reflects the structure of the economy in 2006.

Both indirect (i.e., the economic impact on industries supplying goods and services used in production) and induced (i.e., the economic impact associated with additional spending by workers) effects are estimated in the model, which also generates estimates of tax revenues associated with a change in the demand for one or more commodities, or a change in the output of an industry. These tax revenue estimates include personal and corporate income taxes, as well as taxes on commodities.

At present, estimates of the value of goods and services imported from other provinces and countries are only calculated for direct expenditures.

Although the structure of the model is based on 2006 data, tax revenue and employment estimates generated by the model are based on more up-to-date information.

Tax revenue estimates reflect the current (as of August 2010) tax structure and existing tax rates. Provincial government revenues include the provincial portion of the Harmonized Sales Tax.

Employment estimates generated by the model are calculated using information on average earnings in 2009.

Limitations and caveats associated with input-output analysis

Input-output analysis is based on various assumptions about the economy and the interrelationships between industries. The major assumptions are listed below.

Input-output models are linear. *They assume that a given change in the demand for a commodity or for the outputs of a given industry will translate into a proportional change in production.*

Input-output models do not take into account the amount of time required for changes to happen. *Economic adjustments resulting from a change in demand are assumed to happen immediately.*

It is assumed that there are no capacity constraints and that an increase in the demand for labour will result in an increase in employment (rather than simply re-deploying workers).

It is assumed that consumers spend an average of 80% of their personal income on goods and services. The remaining 20% of personal income is consumed by taxes, or goes into savings. (This assumption can be changed if there is evidence to suggest doing so in particular applications.).

The BCIOM is derived from a "snapshot" of the structure of the BC economy in 2006. *It is assumed that relationships between industries are relatively stable over time,* so that the 2006 structure of the economy can be used to estimate the economic impact associated with a particular project.

At present, the BCIOM does not distinguish between regional effects. It will not, for example, differentiate between the economic impact of a plant located in one region of the province and a similar plant elsewhere in BC.

Access to the Model

The BCIOM has been developed and is maintained by BC Stats in the Ministry of Citizens' Services. BC Stats will run the model for clients who wish to assess the economic impact of particular projects. Charges associated with using the model include two components:

- $700 for the first model run, and $300/run if additional runs (based on the same input data) are required;
- $760/day for consultation time, which includes input data development and preparation of a report summarizing the results of the analysis.

A typical model simulation usually costs $1,500 (plus applicable taxes). Higher charges would apply in more complex situations.

For more information about the model, or to use the BCIOM contact:

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also on the Internet at www.bcstats.gov.bc.ca or choose RSS

BC at a glance . . .

POPULATION (thousands)	Jul 1/2010	% change on one year ago
BC	4,531.0	1.6
Canada	34,108.8	1.2
GDP and INCOME (Revised Nov 9)		
(BC - at market prices)	2008	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	197,931	3.3
GDP *($ 2002 millions)*	164,520	0.0
GDP *($ 2002 per Capita) (reflects revised pop)*	37,529	-1.7
Personal Disposable Income *($ 2002 per Capita)*	25,931	3.2
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Aug 2010	2,975	-0.1
Merchandise Exports - Aug 2010	2,298	-3.6
Retail Sales - Aug 2010	4,771	-0.1
CONSUMER PRICE INDEX	% change on	12-month avg
(all items - Sep 2010)	one year ago	% change
BC	1.6	0.8
Vancouver	1.9	1.1
Victoria	1.2	0.5
Canada	1.9	1.4
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Sep 2010	prev. month
Jobs Created (-Lost) - BC	-0.3	
Labour Force - BC	2,508.2	0.2
Employed - BC	2,320.3	0.0
Unemployed - BC	187.9	3.5
		Aug 2010
Unemployment Rate - BC *(percent)*	7.5	7.3
Unemployment Rate - Canada *(percent)*	8.0	8.1
INTEREST RATES (percent)	Oct 27/2010	Oct 28/2009
Prime Business Rate	3.00	2.25
Conventional Mortgages - 1 year	3.20	3.80
- 5 year	5.29	5.84
US-CANADA EXCHANGE RATE	Oct 27/2010	Oct 28/2009
(avg. noon spot rate) Cdn $ per US $	1.0320	1.0756
(closing rate) US $ per Cdn $	0.9721	0.9272
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Sep 2010	one year ago
BC	836.70	3.2
Canada	829.66	2.0

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

Small Business Profile 2010

The 2010 Edition of the annual profile of small business in British Columbia is now available. The report provides information on British Columbia's small businesses, including number of businesses, employment and small business' contribution to the provincial economy.

www.bcstats.gov.bc.ca/data/bus_stat/busind/sm_bus.asp#sbp

Academic Journal Reviews Impact on Census

The publication of the schedule of questions for the 2011 Census on June 26, 2010 in the *Canada Gazette* was the first public appearance of plans by the Federal Government to fundamentally alter the basis of the questionnaire that is the bedrock of dozens of other high profile surveys such as the Labour Force Survey and the Consumer Price Index. Much has appeared in the press and other media stating both sides of the argument. The University of Toronto Press has contributed a series of articles in the journal *Canadian Public Policy* to bring sound academic argument to lay the foundation of fact on which to base further discussion of the policy decision by the Federal Government.

www.bcstats.gov.bc.ca/census.asp#C2011

Open Data extends to Trade Profiles and Quarterly Regional Statistics

This completes the initial phase of a project to offer Excel/CSV equivalents for files previously available only in PDF format. The files are available through our Area Profiles page.

www.bcstats.gov.bc.ca/data/dd/profiles.asp

Released this week by BC Stats

- Business Indicators, October 2010

Next week

- Provincial GDP to be released Thursday Nov. 4th
- Labour Force Statistics, October 2010
- Earnings & Employment Trends, October 2010

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